



January 8, 2009

Honorable John Conyers, Jr.
United States House of Representatives
Washington, D.C. 20515

Honorable Barney Frank
United States House of Representatives
Washington, D.C. 20515

Honorable Zoe Lofgren
United States House of Representatives
Washington, D.C. 20515

Honorable Brad Miller
United States House of Representatives
Washington, D.C. 20515

Dear Representatives:

Thank you for engaging with us in thoughtful dialogue about H.R.200, "Helping Families Save Their Homes in Bankruptcy Act of 2009." Citi shares the legislation's goal to help distressed borrowers stay in their homes, and believes it will serve as an additional tool to the extensive home retention programs currently in place to help at-risk borrowers. Subject to revisions in the following three areas, we would support this legislation.

First, mortgage principal reductions in bankruptcy proceedings will be limited to loans made on or before the date of enactment;

Second, provisions in the bill allowing a bankruptcy judge to void a mortgage entirely for violation of consumer protection laws will be limited solely to those violations of the Truth in Lending Act (TILA) that give rise to a right of rescission under TILA;

Third, principal reductions will only be available in cases where the borrower has attempted to contact the lender in an effort to modify the loan prior to filing for bankruptcy.

In order to help prevent foreclosure and bankruptcy, the legislation acknowledges the potential benefits for distressed borrowers who initially contact lenders directly to explore solutions for their individual needs. Since early 2007, Citi has helped approximately 370,000 families avoid foreclosure on their homes through its comprehensive foreclosure prevention and loan modification efforts.

If enacted, this legislation would represent an important step forward. Given today's exceptional economic environment, we support its swift passage.

Sincerely,

A handwritten signature in black ink, appearing to read "Vikram S. Pandit".
Vikram S. Pandit

cc: Senators Richard Durbin, Charles Schumer, Christopher Dodd, Patrick Leahy